

## Administration

Employee  
ResponsibilitiesGifts, Entertainment,  
Favors, and  
Kickbacks**PURPOSE:**

- .01 The Laboratory must ensure that appropriate safeguards are in place to prevent conflict of interest or any appearance of favoritism in its relationship with other public or private organizations.

**SOLICITATION, OFFERS,  
OR ACCEPTANCE  
OF GIFTS:**

- .02 Employees ~~must~~ not accept, from any source, any gift or gratuity that is offered or that reasonably appears to be offered because of the position that they hold at the Laboratory, nor should an employee extend an offer of a gift on a similar basis.
- .03 Employees ~~must~~ not solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or other item of monetary value if they have reason to believe or it may be construed that the donor person, corporation, or group
- Has or is seeking to obtain contractual or other business or financial relationships with the Laboratory,
  - Has interests that may be substantially affected by the employee's performance or nonperformance of official duties, or
  - Is seeking to affect the employee's official action.

**KICKBACKS:**

- .04 An employee ~~must~~ not provide or attempt to provide a kickback; solicit, accept, or attempt to accept any kickback; or include, directly or indirectly, the amount of any kickback in a contract price charged by a Laboratory subcontractor or in a contract price charged by the Laboratory to the Department of Energy (DOE) or another federal agency.

**Definition**

- .05 Kickback is defined as any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided, directly or indirectly, to the Laboratory, a Laboratory employee, a Laboratory subcontractor, or an

---

## Gifts, Entertainment, Favors, and Kickbacks

employee of a Laboratory subcontractor for the purpose of improperly obtaining or rewarding favorable treatment in connection with the Laboratory contract with DOE or in connection with a Laboratory subcontract relating to a contract with a federal agency.

- .06 Kickbacks that are offered to, solicited by, or accepted by Laboratory employees must be reported to the Internal Evaluation Office (IEO) for appropriate action. Employees must cooperate fully with any federal agency investigating a possible violation. See [AM 729](#), *Whistleblowers Policy for Reporting Improper Activity*.

### ACCEPTABLE BUSINESS CONDUCT:

- .07 This policy does not preclude the acceptance of,

Ordinary business courtesies, such as payment for a modest lunch or dinner on infrequent occasions in the course of a business meeting or inspection tour where an employee may properly be in attendance.

Unsolicited advertising novelties or promotional material (such as pens, pencils, note pads, and calendars, [see [AM 711](#), *Sexual Harassment*]) or informational material (such as books, reports, pamphlets, and periodicals).

Modest entertainment (such as food or refreshments) in connection with attendance at widely attended gatherings sponsored by commercial firms, professional societies, or persons with whom the Laboratory does business.

Loans from banks or other financial institutions on customary terms to finance proper and usual activities of employees, such as home mortgage loans.

Free transportation in customary form on official business.

**NOTE:** However, offers by present or potential suppliers to provide such things as equipment of more than nominal value or expense-paid trips, whether for business or pleasure, must be declined.

## **Gifts, Entertainment, Favors, and Kickbacks**

**SEXUAL FAVORS:**

- .08 Verbal or physical sexual conduct that affects or appears to affect an official action, such as an offer of employment, the terms and conditions of employment, a contract award, or the terms and conditions of the contract, is a conflict of interest and is prohibited. *See also* [AM 711](#), *Sexual Harassment*.

**DISCIPLINE:**

- .09 Failure to comply with provisions regulating the acceptance of gifts, entertainment, and favors or the offering of kickbacks may result in disciplinary action, up to and including termination of employment.